

**PROSTHETIC LIMB HEALTH INSURANCE**

**PARITY**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David Litvack**

Senate Sponsor: John L. Valentine

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**LONG TITLE**

**General Description:**

This bill amends the Insurance Code to require an insurer that provides a health benefit plan to offer coverage for prosthetic devices.

**Highlighted Provisions:**

This bill:

- defines terms;
- requires an insurer that provides a health benefit plan to offer at least one plan that provides coverage for prosthetic devices; and
- establishes terms of coverage and minimum requirements relating to the coverage described in this bill.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**31A-22-638**, Utah Code Annotated 1953

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **31A-22-638** is enacted to read:

**31A-22-638.** Coverage for prosthetic devices.

(1) For purposes of this section:

(a) "Orthotic device" means a rigid or semirigid device supporting a weak or deformed leg, foot, arm, hand, back, or neck, or restricting or eliminating motion in a diseased or injured leg, foot, arm, hand, back, or neck.

(b) (i) "Prosthetic device" means an artificial limb device or appliance designed to replace in whole or in part an arm or a leg.

(ii) "Prosthetic device" does not include an orthotic device.

(2) (a) Beginning January 1, 2011, an insurer, other than an insurer described in Subsection (2)(b), that provides a health benefit plan shall offer at least one plan, in each market where the insurer offers a health benefit plan, that provides coverage for benefits for prosthetics that includes:

(i) a prosthetic device;

(ii) all services and supplies necessary for the effective use of a prosthetic device, including:

(A) formulating its design;

(B) fabrication;

(C) material and component selection;

(D) measurements and fittings;

(E) static and dynamic alignments; and

(F) instructing the patient in the use of the prosthetic device;

(iii) all materials and components necessary to use the prosthetic device; and

(iv) any repair or replacement of a prosthetic device that is determined medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities and that is not solely for comfort or convenience.

(b) Beginning January 1, 2011, an insurer that is subject to Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act, shall offer to a covered employer at least one plan that:

(i) provides coverage for prosthetics that complies with Subsections (2)(a)(i) through

58 (iv); and

59 (ii) requires an employee who elects to purchase the coverage described in Subsection  
60 (2)(b)(i) to pay an increased premium to pay the costs of obtaining that coverage.

61 (c) At least one of the plans with the prosthetic benefits described in Subsections  
62 (2)(a) and (b) that is offered by an insurer described in this Subsection (2) shall have a  
63 coinsurance rate, that applies to physical injury generally and to prosthetics, of 80% to be paid  
64 by the insurer and 20% to be paid by the insured, if the prosthetic benefit is obtained from a  
65 person that the insurer contracts with or approves.

66 (d) For policies issued on or after July 1, 2010 until July 1, 2015, an insurer is exempt  
67 from the 30% index rating restrictions in Section 31A-30-106.1, and for the first year only that  
68 coverage under this section is chosen, the 15% annual adjustment restriction in Section  
69 31A-30-106.1, for any small employer with 20 or less enrolled employees who chooses  
70 coverage that meets or exceeds the coverage under this section.

71 (3) The coverage described in this section:

72 (a) shall, except as otherwise provided in this section, be made subject to cost-sharing  
73 provisions, including dollar limits, deductibles, copayments, and co-insurance, that are not less  
74 favorable to the insured than the cost-sharing provisions of the health benefit plan that apply  
75 to physical illness generally; and

76 (b) may limit coverage for the purchase, repair, or replacement of a microprocessor  
77 component for a prosthetic device to \$30,000, per limb, every three years.

78 (4) If the coverage described in this section is provided through a managed care plan,  
79 offered under Chapter 8, Health Maintenance Organizations and Limited Health Plans, or  
80 under a preferred provider plan under this chapter, the insured shall have access to medically  
81 necessary prosthetic clinical care, and to prosthetic devices and technology, from one or more  
82 prosthetic providers in the managed care plan's provider network.